



GOLDEN MUNICIPAL AIRPORT VIABILITY STUDY

Golden Town Council – October 20, 2020

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HM Aero Aviation Consulting

R. Adam Martin, M.Sc., PMP: Project Manager

Ben Crooks, RPP, MCIP: Lead Planner

Eric Hurley, P.Eng.: Airport Infrastructure Lead

Andrew Macdonald, B.Comm.: Airport Planner



Study Background, Objectives, and Stakeholder Engagement



Study Background

- Town is facing financial pressures for the maintenance and renewal of municipal assets and services: e.g. water and sewer, roads, parks, recreation facilities, etc.
- Capital funds are required to upgrade and maintain the Airport
- Unclear understanding of current and potential future benefits

*“In the context of broader and responsible asset management, a deteriorating facility, limited use, costs for rehabilitation, and unknown potential, **the practical viability keeping and maintaining [Golden Airport] must be examined.**”* – Town Council Term Priorities

Study Objectives

1. Complete a comprehensive **stakeholder consultation program**;
2. Analyze the **regional context**;
3. Identify the Airport's **economic and social benefits**;
4. Review the Airport's **administration and financial performance**;
5. Assess all **infrastructure assets**;
6. Identify **development and revenue generation opportunities**; and
7. Recommend a **realistic and defensible business case**.

Stakeholder Engagement



INFORMATION SESSION

- June 24, 2020
- Online Zoom Webinar
- **62 attendees**



ONLINE SURVEYS

- Resident and Business surveys
- Hosted from June to August
- **634 responses**



INTERVIEWS

- In-person, phone, and videoconference
- 38 organizations represented
- **51 interviews**



WRITTEN SUBMISSIONS

- 3 industry associations, 4 private citizens
- **7 written submissions**

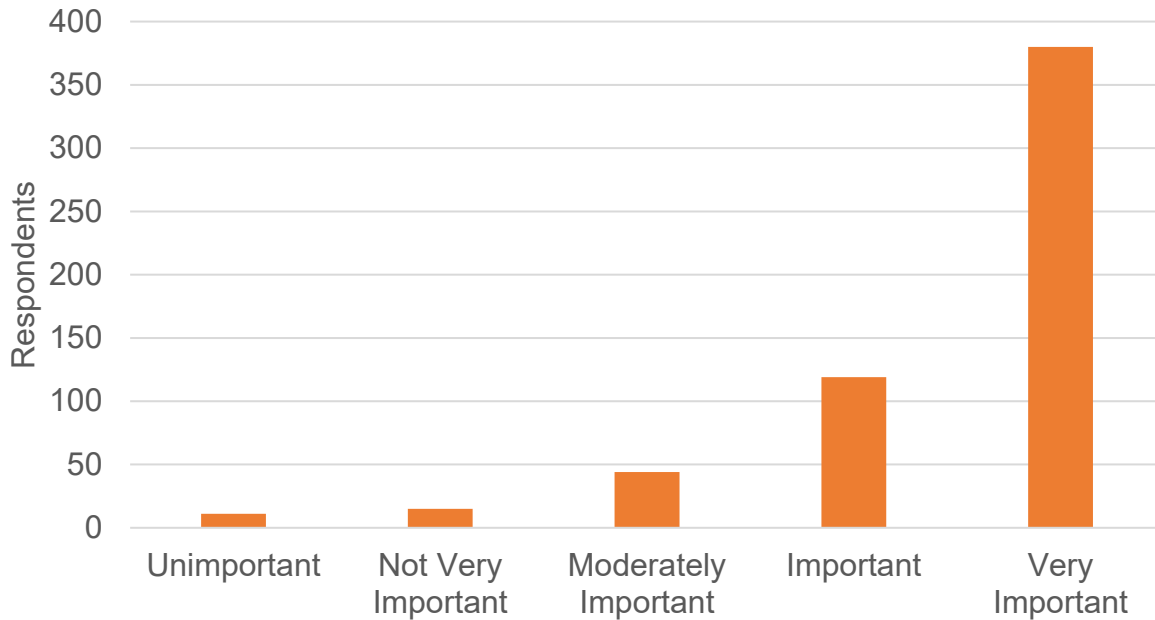
Stakeholder Engagement – Engaged Organizations



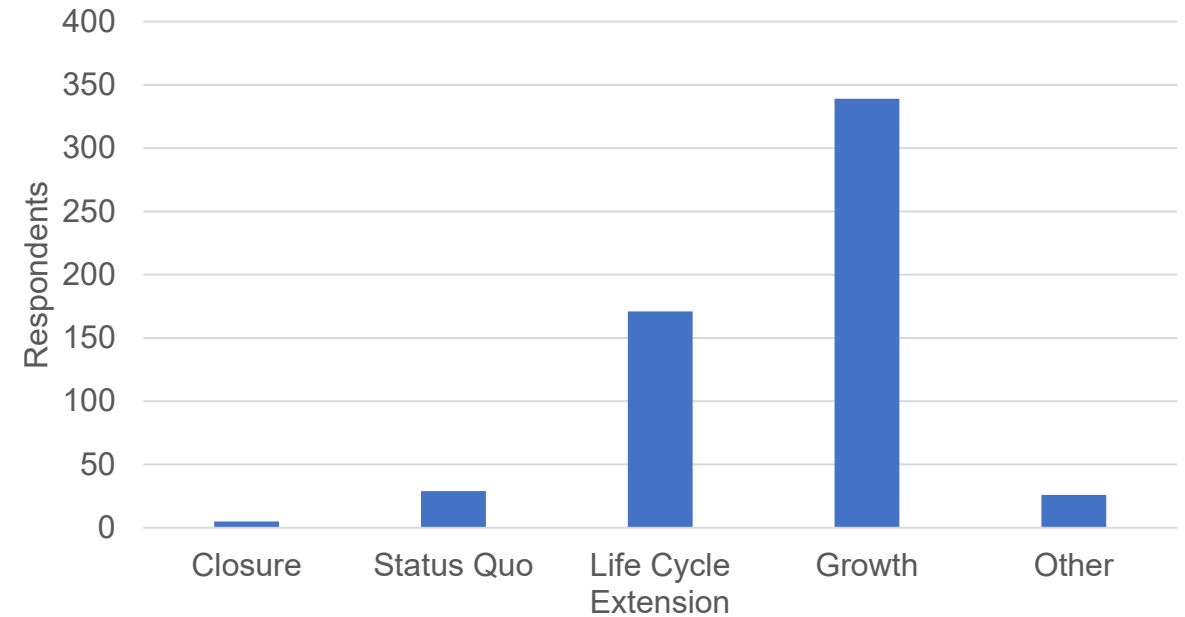
Government		
Columbia Shuswap Regional District	Town of Golden	Royal Canadian Mounted Police – Golden Detachment
Province of British Columbia – BC Air Ambulance	Province of British Columbia – Interior Health	Royal Canadian Air Force – 442 Transport and Rescue Squadron
Province of British Columbia – Southeast Fire Centre	Province of British Columbia – Transportation	Government of Canada – Parks Canada
Royal Canadian Air Force – 408 Tactical Helicopter Squadron	Government of Canada – Transport Canada	
Airport Businesses and Tenants		
Alpine Helicopters	East Kootenay Fuel Sales	Skydive Extreme Yeti
Golden and District Search and Rescue	Kicking Horse Aviation	Whitetooth Helicopters
Aircraft Operators and Aviation Service Providers		
AirSprint	Carson Air	Shock Trauma Air Rescue Society (STARS)
Direct Approach Consulting	NAV CANADA	Pacific Coastal Airlines
Slater Ecosphere		
Industry Associations		
Alberta Aviation Council	Backcountry Lodges of BC	Canadian Owners and Pilots Association
British Columbia Aviation Council	British Columbia General Aviation Association	Canadian Business Aviation Association
Helicat Canada		
Regional Businesses and Stakeholders		
Golden Community Coop	Kicking Horse Country Chamber of Commerce	College of the Rockies
Kicking Horse Mountain Resort	Physicians of Golden	Christina Benty Strategic Leadership Solutions
School District 6 – Rocky Mountain	Tourism Golden	

Stakeholder Engagement – Key Findings

Resident Survey – Value of Golden Airport



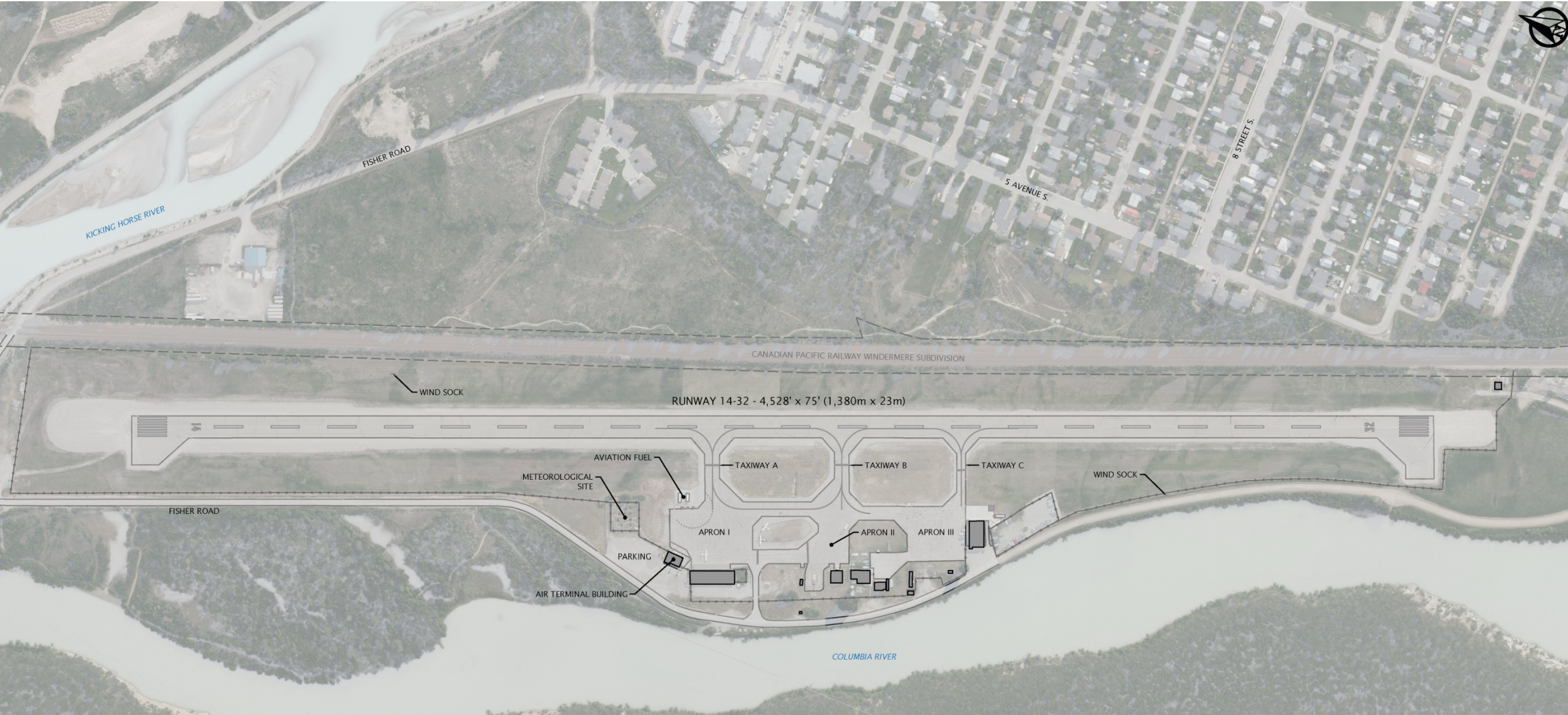
Resident Survey – Preferred Vision for Golden Airport



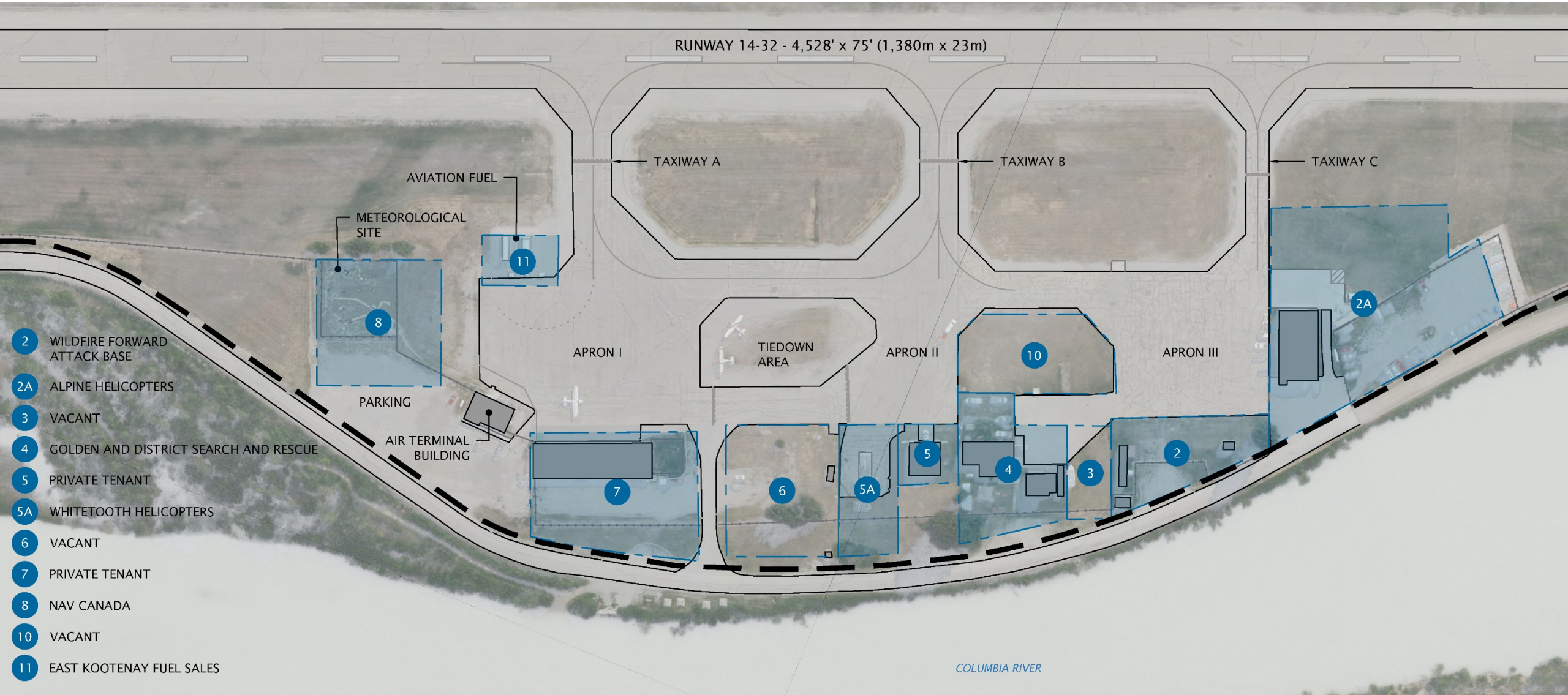


Current Airport Role and Activity

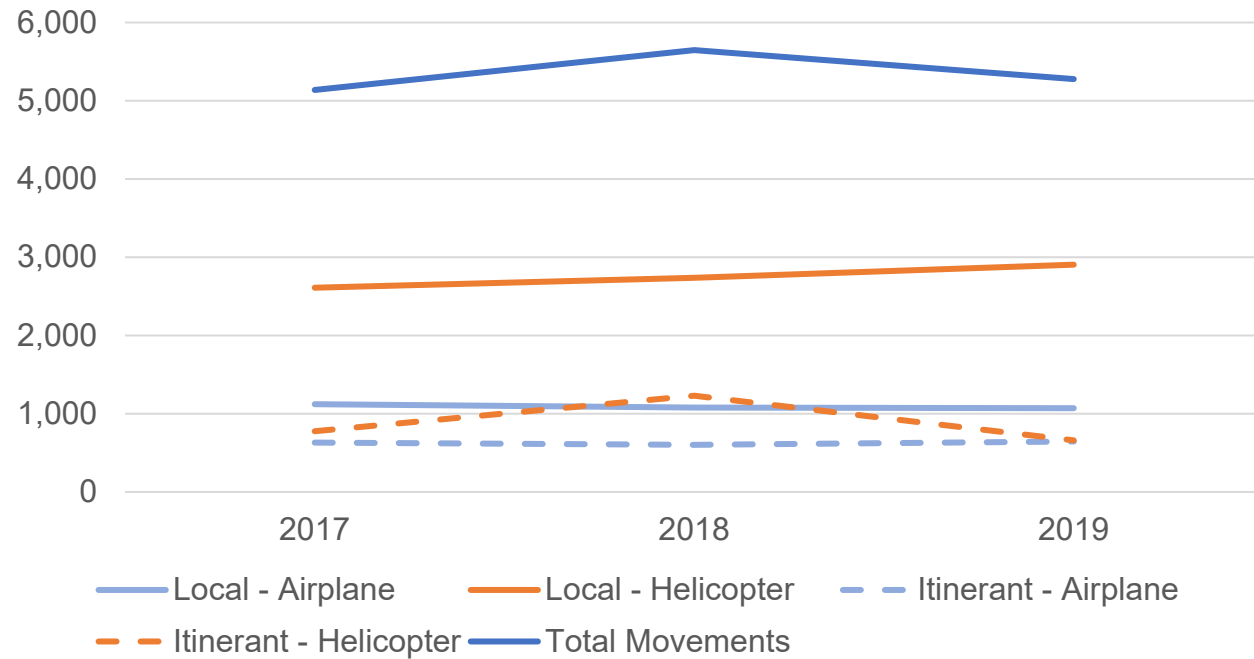
Airport Overview



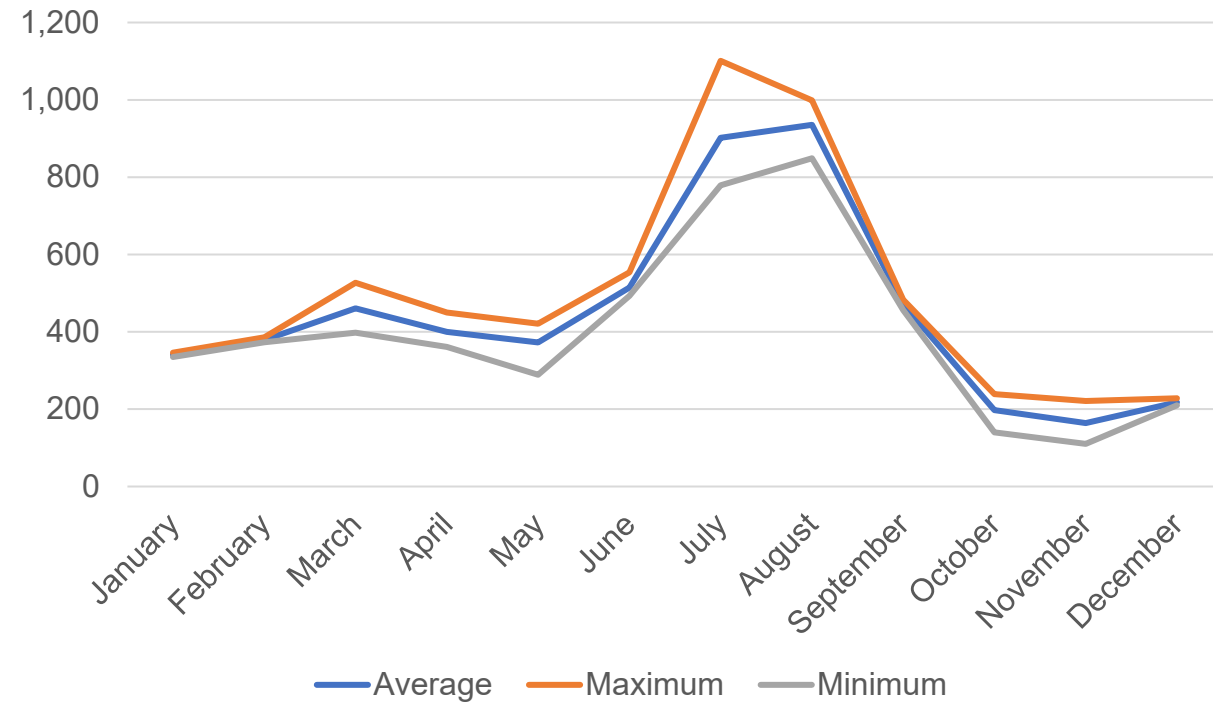
Airport Tenants



Annual Aircraft Movements



Average Monthly Aircraft Movements



Activity Levels

- 2019 – Approximately 5,300 aircraft take-offs and landings
- Aircraft – 56% rotary-wing, 44% fixed-wing
- Operators – 86% commercial, 11% private, 3% government / air ambulance

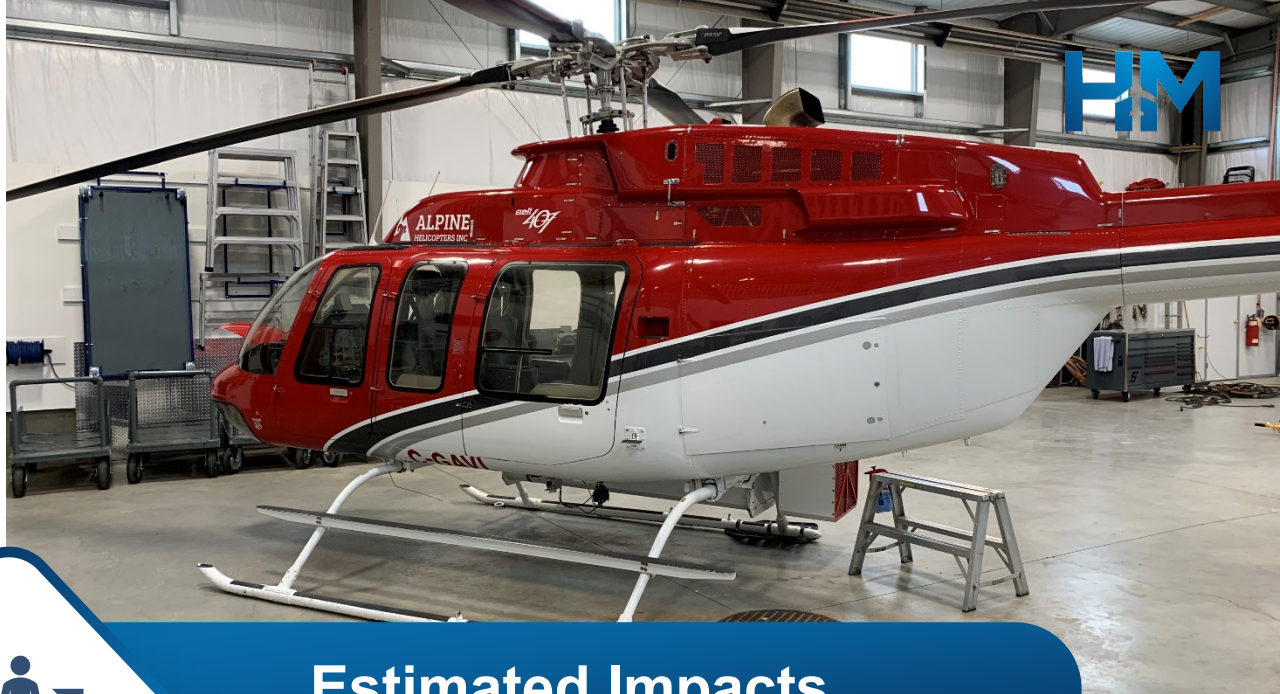




Social Benefits

- **BC Air Ambulance and STARS:** Fixed-wing and helicopter operations, 86 movements in 2019 – supplements operations at the Golden & District Hospital heliport
- **GADSAR:** Busiest SAR organization outside of the Lower Mainland, located at Golden Airport for operational integration with Alpine Helicopters
- **Wildfire Suppression:** Forward wildfire helicopter attack base on as-required basis
- **Emergency Management:** Movement of emergency management professionals

- Community Access: 310 itinerant airplanes annually
- Aviation Recreation: Skydive Extreme Yeti, > 1,200 tandem skydive experiences annually
- Backcountry Lodges: Logistics support and guest movements to 15 lodges
- Adventure Recreation: Supports heliskiing, biking, hiking, mountain climbing, white-water rafting
- Parks Canada: Logistics support
- Major Events: SAR and air ambulance capabilities (e.g. Freeride World Tour)



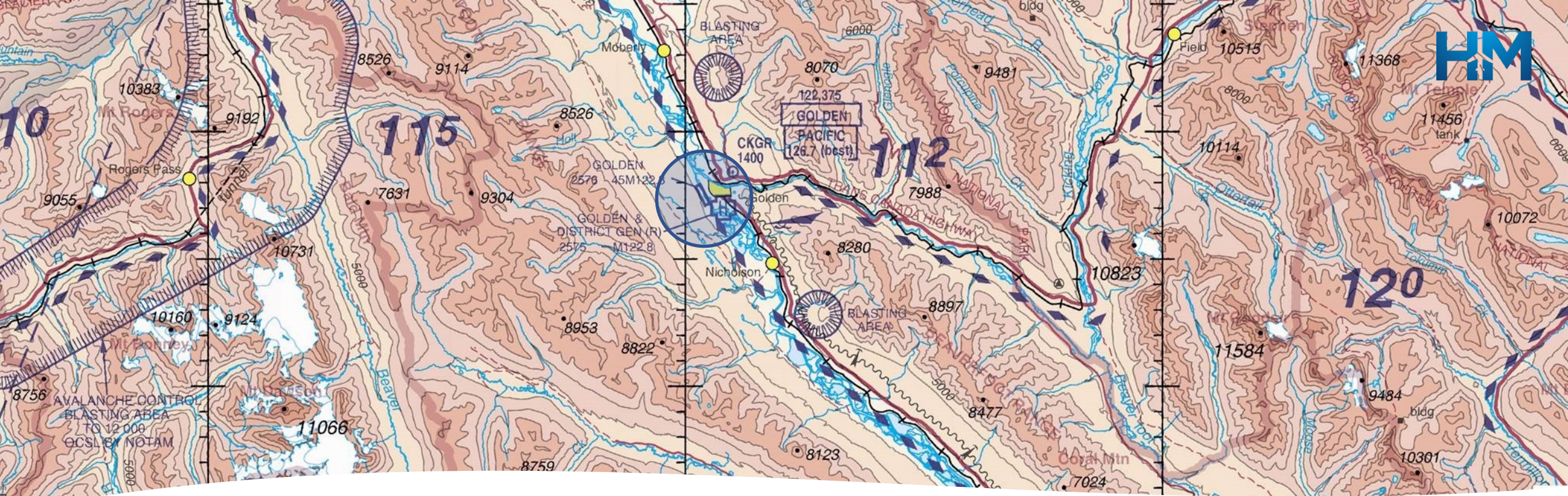
Economic Benefits



Estimated Impacts

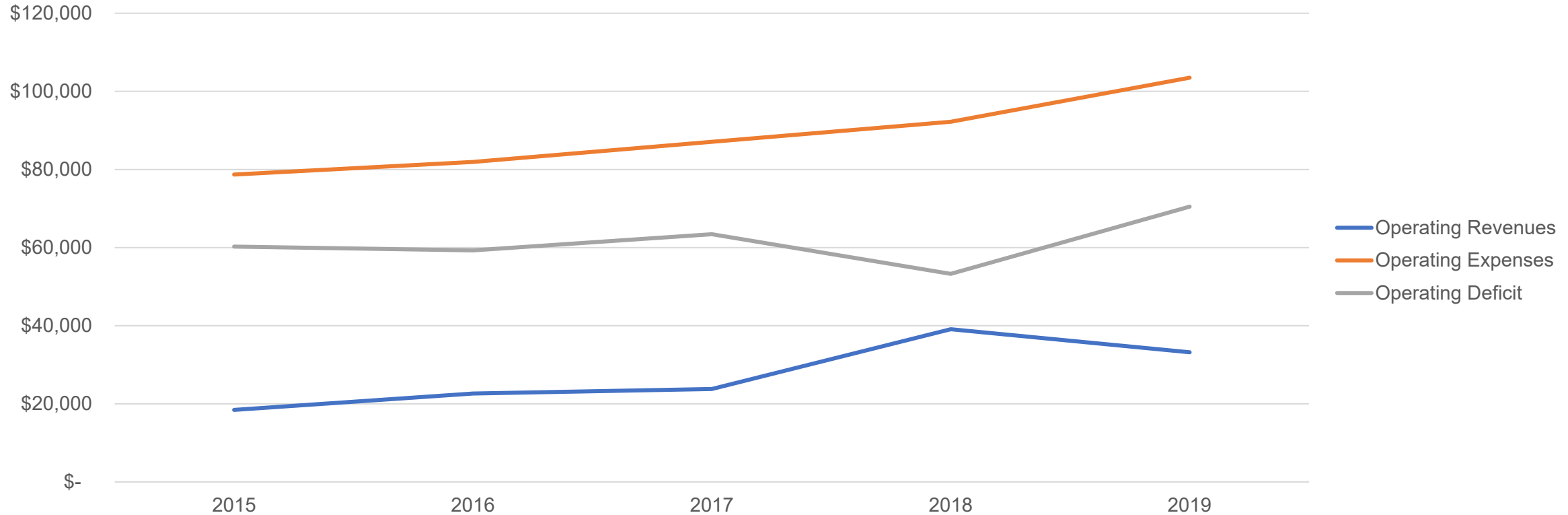
- 13 Direct Full-Time Equivalent (FTE) positions, **27 total FTE positions**
- \$1.3M in direct labour income, **\$2.5M in total labour income**
- \$1.5M in direct GDP contributions, **\$3.0M in total GDP contributions**





Air Navigation System

- North-South and East-West mountain aircraft visual navigation routes
- Complex mountain terrain and rapidly changing weather conditions
- Key enroute diversion and emergency landing location
- Nearest alternate airports > 100 km away



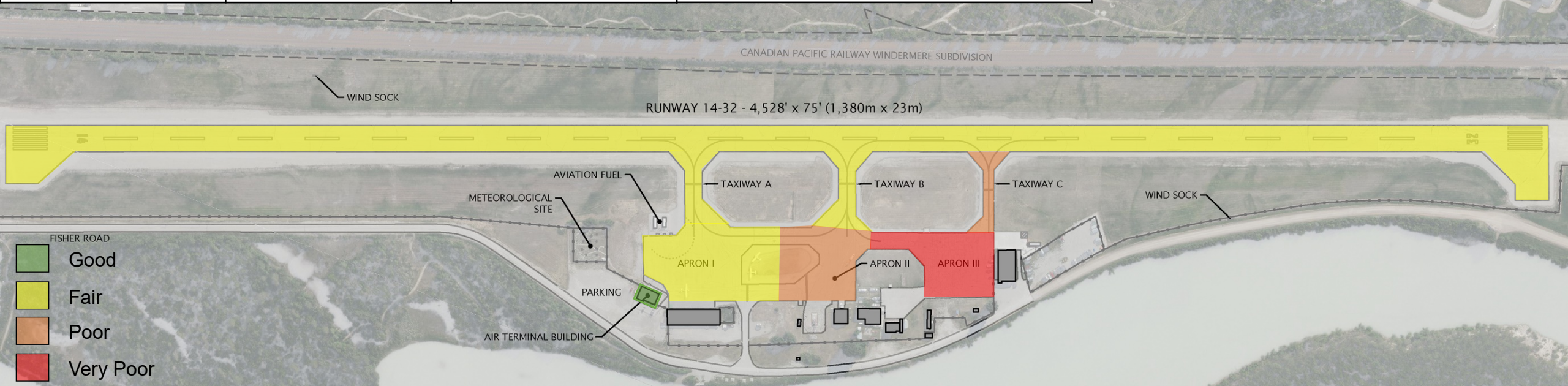
Financial Review

- Revenues – \$18,000 in 2015 to \$33,000 in 2019 (19% per year)
- Expenses – \$79,000 in 2015 to \$104,000 in 2019 (7% per year)
- Deficit – \$60,000 in 2015 to \$70,000 in 2019 (5% per year)
- Proportion of expenses funded by Town and CSRD subsidization decreased from 77% in 2015 to 68% in 2019
- Financial performance is comparable to other Canadian municipal airports

Infrastructure Assessment



Asset	Condition	Estimated Remaining Service Life	Other Assessed Infrastructure
Runway 14-32	Poor / Fair	5-7 years	<ul style="list-style-type: none"> • Visual navigation aids and lighting • Weather observation services • Instrument Flight Procedures • Aircraft fuelling, parking, and support services • Fisher Road, parking lot, and perimeter fence • Utilities and servicing • Development lots
Taxiways A, B, C	A – Fair B – Fair C – Poor	A – 7-10 years B – 7-10 years C – N/A	
Aprons I, II, III	I – Fair II – Poor III – Very Poor	I – 5-7 years II – 2-5 years III – N/A	
Terminal Building	Good	16 years	





Future Prospects

- Development lot absorption – new hangars and aviation businesses (e.g. aircraft maintenance)
- Airport rates and fees structure – e.g. landing and parking fees
- Additional corporate and general aviation traffic
- Flight training and aviation education opportunities
- Charter passenger air services



Aeronautical Opportunities



Considerations

- Non-certified aerodrome limits scheduled passenger air services
- Lack of residual water and sanitary sewer servicing capacity
- Need to limit operating costs incurred with realizing new revenues (e.g. billing)
- “Build It and They Will Come” – Golden Airport cannot be separated from the regional context and market demand





- Residential Development: Estimated at 360 new single-detached dwelling units
- Commercial / Industrial Development: Retail, self-storage, transportation and logistics
- Municipal and Public Uses: Parkland / greenspace, public recreation facilities, core infrastructure needs (e.g. water treatment)

Non-Aeronautical Opportunities



Considerations

- Actual market demand
- Potential environmental contamination
- Proximity of the railway line and limited roadway access
- High water table and floodproofing
- Greenfield residential expansion and planning principles
- Need for municipal servicing, roadways, amenities, etc.



Business Cases

1 - Airport Closure, Full Redevelopment

- Complete closure of Golden Airport, all activity ceases
- Site is offered for sale, redevelopment, or other non-aviation uses
- Existing aviation activities relocate elsewhere or are terminated

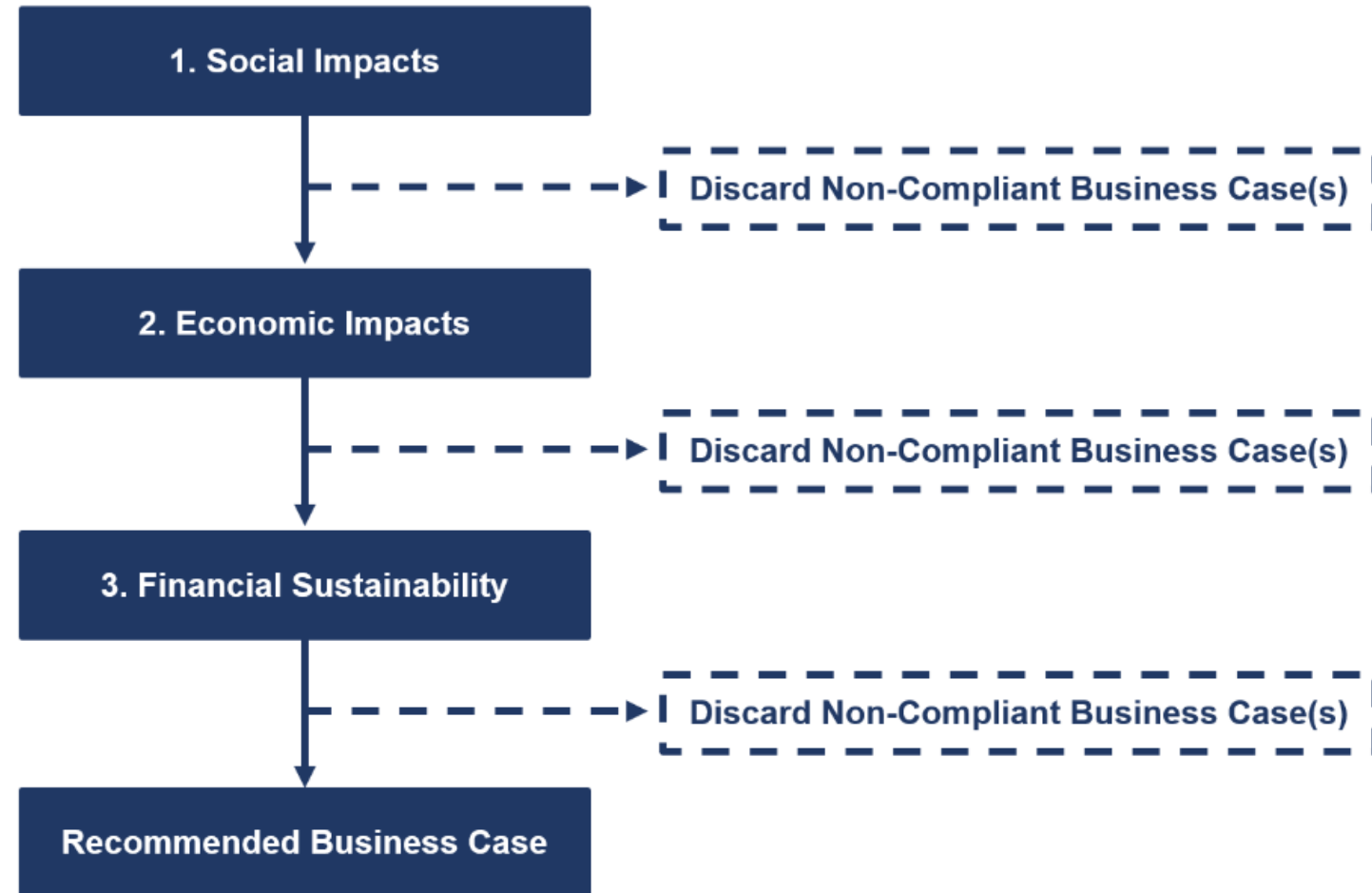
2 – Helicopter Operations, Partial Redevelopment

- Runway 14-32 is decommissioned, infrastructure consolidated to support helicopters only
- Continued use by STARS, Alpine Helicopters, Whitetooth Helicopters, etc.
- Balance of the site offered for sale and / or redevelopment

3 – Status Quo, Airport Retention

- Continued ownership and operation of Golden Airport by the Town
- Existing infrastructure is preserved or rationalized as required
- Pursuit of select aviation development and revenue generation opportunities

Business Case Evaluation Methodology



Business Case Evaluation – Social Impacts

	1 – Airport Closure, Full Redevelopment	2 – Helicopter Operations, Partial Redevelopment	3 – Status Quo (Airport Retention)
Wildfire Suppression	✘	✓	✓
Air Ambulance Operations (Fixed-Wing)	✘	✘	✓
Air Ambulance Operations (Rotary-Wing)	↓	✓	✓
Search and Rescue	↓	↓	✓
Emergency Management	✘	↓	✓
✘ = Loss of service ↓ = Reduced level of service ✓ = Equivalent level of service			

Outcome: Options 1 and 2 were found to have significant negative social impacts to the residents of Golden and Area A and are discarded. Option 3 is advanced for further evaluation.

Business Case Evaluation – Economic Impacts

	3 – Status Quo (Airport Retention)
Intercommunity Air Transportation	✓
Aviation Recreation	✓
Backcountry Lodge Support	✓
Adventure Recreation Support	✓
Parks Canada Support	✓
Major Events – SAR and Air Ambulance	✓

Current total estimated economic impact: **27 FTE positions, \$2,500,000 in labour income, and \$3,000,000 in regional GDP contributions** with potential for growth over time

Outcome: Current economic benefits are maintained and the potential for growth over time is preserved. Option 3 is advanced for further evaluation.

Business Case Evaluation – Financial Sustainability

Projected Operating Deficit

	2017	2018	2019	2021	2030	2040
Total Deficit	\$63,414	\$53,274	\$70,492	\$47,734	\$54,556	\$53,549
Town of Golden Share	\$30,667	\$24,906	\$33,223	\$22,435	\$25,641	\$25,168
CSRD Share	\$32,747	\$28,368	\$37,269	\$25,299	\$28,915	\$28,381
<ul style="list-style-type: none"> • Implementation of aircraft landing and overnight parking fees • 2% annual increase in aircraft movements after 2022 • Absorption of 1 development lot every 4 years + revised lease rates • Operating expenses increase with inflation 						

Core Capital Expenses

- Repair visual navigation aids
- Airside access controls
- Upgrade water and sewer systems
- Rehabilitate Runway 14-32; Taxiways A and B; and Aprons I, II, and III
- Prepare development lots
- Terminal building replacement

**\$3,900,000
over 16
years**

Outcome: The operating deficit and required capital expenses are comparable to that of other airports that serve a similar role and catchment area and can be contextualized by Golden Airport’s social and economic benefits. Option 3 passes the evaluation.

A wide-angle photograph of an asphalt runway with white dashed center lines and solid edge lines. The runway stretches into the distance towards a range of mountains under a blue sky with scattered white clouds. The foreground shows a crack in the pavement.

Conclusions and Recommendations

Study Conclusions

- **Social Benefits:** The Airport supports critical Search and Rescue, wildfire suppression, and air ambulance services
- **Economic Benefits:** Airport tenants support more than 26 FTE positions, \$2.5M in annual labour income, and more than \$2.9M per annum in GDP contributions.
- **Air Navigation:** The facility serves an important role as a diversion and emergency landing site for aircraft transiting east-west and north-south.
- **Stakeholder Engagement:** 99% of resident survey participants supported the continued operation of Golden Airport.
- **Infrastructure:** The Airport's infrastructure is generally adequate to support current and future operations and businesses, with modest future investment required.
- **Finances:** The annual operating deficit is typical of similar municipal airports and must be contextualized by the social and economic benefits of the facility.
- **Regionality:** While the Airport is a Town-owned asset, the facility has significant regional social and economic benefits that extend to Area A of the CSRD.

Study Recommendations



Golden Airport should **continue to be operated as an aerodrome** that serves the social and economic needs of Golden and Area A.



A **Strategic and Tactical Plan** should be prepared that considers matters such as facility redevelopment; operational improvements; rates and fees; funding opportunities.



The Town should undertake **modest and targeted improvements** at the Airport to strengthen the facility's position as an economic driver and improve its social benefits.



Initiate discussions with the CSRD to establish a **capital funding partnership** that is consistent with the regional social and economic importance of Golden Airport.

Questions?