

ST. PAUL MUNICIPAL AIRPORT STRATEGIC BUSINESS PLAN 2017-2020

**ST. PAUL, ALBERTA
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**ST. PAUL MUNICIPAL AIRPORT AUTHORITY
STRATEGIC BUSINESS PLAN**

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CAPITAL DEVELOPMENT AND BUSINESS PLAN REPORT

1.0 - INTRODUCTION:

The St. Paul Airport is located approximately 4 kilometres west of the Town of St. Paul. The County of St. Paul and Town of St. Paul assumed control in the 1990s recognizing that the Airport is important to general aviation and potential economic development in the area.

When the municipalities assumed responsibility for the Airport it was also recognized that most airports in Canada did not generate a profit and required ongoing municipal support. However, like many public services such as roads, water lines, and recreation facilities, it was understood that the benefits of the Airport would be realized in other ways such as attracting and retaining aviation and other industry and business interests as well as providing facilities to accommodate Med-Evac transportation services, which benefit the health and safety of residents in the region. The municipalities viewed an Airport as being vital and desirable for their communities. In the 1990s, the municipalities were able to acquire a multi-million dollar facility for \$1.00.

2.0 - PLAN BASIS:

VISION

“A Welcoming Locale for the General Aviator”

MISSION STATEMENT

The mission statement for the St. Paul Municipal Airport is:

“To operate an airport that effectively promotes and serves general aviation while bringing pride and economic activity to the St. Paul region”

For the purposes of this plan, general aviation includes both commercial and non-commercial aviation activities including recreational pilots, flying clubs, flight training, agricultural aviation, and light aircraft manufacturing and maintenance.

VALUES

- Ensuring safety and security
- Excellence in customer service
- Managing an effective and cost efficient operation

- Open and effective communication
- Dedication to general aviation

OBJECTIVES

These objectives relate to the day-to-day operations of the Airport.

1. To ensure that all regulations are met and the Airport retains its certification
2. To ensure that airport facilities and equipment are maintained and improved as required
3. To operate a safe and cost efficient airport

These objectives relate to strengthening the Airport's future.

1. To maintain and improve existing business relationships and development
2. To respond effectively to development opportunities
3. To foster aviation-related business growth and development

3.0 - SWOT ANALYSIS:

STRENGTHS

- Location is convenient, lots of parking
- Low operating cost
- Strong municipal support

OPPORTUNITIES

- Strong economic conditions for oil and gas
- Close proximity to military base in Cold Lake; potential for partnership
- Strategic partnerships with local community organizations
- General aviation and land development
- Strengthening provincial relationships
- Leverage business opportunities with current tenants
- Leverage new technologies
- Non-aeronautical revenue sources

WEAKNESSES

- Airport infrastructure and services – limited runway length, deteriorating lighting system, equipment replacement, un-serviced land
- Awareness of the airport including brand and services
- Recognition of the value of the Airport in the region
- Lack of a flight school
- Capital funding and operating revenues
- Lack of succession plan for future staffing

THREATS

- Competition from Bonnyville Regional Airport and Cold Lake Regional Airport
- Alternative transportation options
- Lack of consistent funding support
- Changes in regulations
- NIMBY sentiments

4.0 - STRATEGIC PRIORITIES

The following is a summary of the action items for the Committee:

1) EXPLORE ADDITIONAL REVENUE GENERATING MECHANISMS

While the chief focus of the Airport is aviation-related activities, there is a substantial land base available that can be used for secondary and tertiary non-aviation-related economic opportunities. A suggested list of potential business opportunities and revenue streams includes:

Airside Businesses

- Med-Evac Operations
- Aviation Fuel Sales and Aircraft Parking Fees
- Hangar Lot Development
- Agricultural Crop Spraying
- Flight School Operations

Secondary and Tertiary Businesses or Revenue Generators

- Laydown and Equipment Storage Facilities
- Vehicle Storage Facilities
- Industrial/Commercial Land Development and/or Operations
- Golf Driving Range
- Agriculture/Apiary Use

With an intensive, targeted effort, it is reasonable to attain sufficient revenue to support day-to-day operations and maintenance.

2) SPEARHEAD THE ESTABLISHMENT OF A ST. PAUL REGION FLYING CLUB

Flying clubs offer fellowship, flight training opportunities, a variety of aircraft, and an opportunity to build community. These clubs provide value to members and create a unique opportunity for pilots to experience general aviation in your area. The most effective clubs bring people together and create a

supportive environment of like-minded individuals and fosters a sense of responsibility for the Airport facilities.

It is noteworthy that flying clubs can apply for society status, which makes them eligible for a variety of granting programs through the provincial government. Municipalities are ineligible to apply for many of these grant funding opportunities, so the establishment of a flying club creates an alternative source of revenue for the Airport that can aid with capital projects and airport upgrades, while also benefitting the primary users of the facility.

3) **LIAISE WITH ORGANIZATIONS AND BUSINESSES TO EXPLORE ECONOMIC DEVELOPMENT OPPORTUNITIES AND STRENGTHEN AIRPORT ADVOCACY**

St. Paul faces some challenges due to its proximity to the Bonnyville Regional Airport, which is roughly forty-five (45) minutes by car from the St. Paul Airport. Bonnyville boasts commercial flight service and is used by several industrial companies to transport employees. Given this competitive atmosphere, the St. Paul Municipal Airport faces some significant challenges as it seeks to position itself and derive additional economic benefits from the facility. Simply, there are fewer opportunities to grow given Bonnyville's strong presence in the region.

That said, the St. Paul Airport has had a series of inquiries over the past several years regarding new potential uses for the facility. Specifically, the Canadian military has requested information on the Airport to determine if the facility is acceptable for military training activities. The St. Paul Municipal Airport Committee will continue to keep the channels of communication open with the military and explore this possibility further.

As well, there are a number of oil and gas industrial companies in the St. Paul catchment area that may be able to derive economic benefit from the Airport. The Committee will make contact with these companies.

Historically, the St. Paul Municipal Airport has not had a formal relationship with any local community organizations. By liaising the St. Paul Chamber of Commerce, Alberta HUB, and other organizations that engage in economic development activities, the Committee can better disseminate information on the Airport to important economic actors and better understand ways that it can create value-added economic benefits that the Airport can generate.

4) **REPLACE CURRENT LIGHTING SYSTEM**

The St. Paul Municipal Airport's lighting system has experienced numerous challenges in recent years and the system has deteriorated significantly. The lighting system is ageing, has become unreliable, and requires replacement. The risks posed by a complete lighting failure creates pressing safety concerns.

Operating an aerodrome at night and in reduced and low visibility conditions requires installation, operation, inspection and maintenance of runway and taxiway lighting systems. A comprehensive preventative maintenance and inspection program for determining the functionality of lighting systems will enhance flight safety and proper acquisition of these visual aid cues for pilots by not permitting any distortion or confusion, due to lighting system failures.

If the proposed project is not completed, the Airport risks becoming inaccessible at night or during low or reduced visibility weather conditions. This not only has implications for recreational pilots and industrial traffic, but would preclude Medevac operators from providing emergency transportation services to larger hospital facilities when required, which endangers the health and safety of residents in the St. Paul region.

The Committee is recommending replacing the current lighting system and installing modern LED lights, which will also have the spillover benefits of reducing electricity costs and maintenance efforts.

5) **CRAFT A 20-YEAR CAPITAL PLAN**

Given the minimal revenue generated by the Airport, it behooves the Committee to craft a long-term capital plan. Inevitably, general wear and tear of the Airport facilities will result in deteriorating infrastructure that will require replacement. By prioritizing these projects now, the Committee will be able to proactively plan, prepare, and save for these eventualities.

5.0 - SUMMARY

The premise under which the municipalities assumed the Airport remains valid today – the Airport provides solid facilities for general aviation and airside businesses and acts as an important transportation hub for Med-Evac services. The municipalities recognize that the St. Paul Airport is never going to boast commercial airline travel; the municipalities recognize and are comfortable with this reality. Therefore, the St. Paul Airport will continue to operate as it was initially envisioned, serving as a welcoming locale for general aviation, which effectively promotes and serves recreational pilots and small airside business owners. That said, there is always room for improvement and focus should be directed towards measures that improve and enhance the Airport’s offerings.

Challenging times lie ahead. Greater responsibility will be placed on Airport owners and operators to ensure regulatory compliance. The St. Paul Airport will be faced with the introduction of new regulations and requirements, resulting in increasing costs to maintain Airport operation. Asset management will also be a key focus over the next twenty years to ensure the long-term sustainability of the Airport.